Date Mailed October 17, 2001

BEFORE THE

PUBLIC SERVICE COMMISSION OF WISCONSIN

Application of Northern States Power Company (Wisconsin) d/b/a Xcel Energy for Approval of an Affiliated Interest Agreement with Xcel Energy, Inc.'s Operating Subsidiaries

4220-AU-127

NOTICE OF INVESTIGATION AND ASSESSMENT OF COSTS

THIS IS AN INVESTIGATION pursuant to Wis. Stat. § 196.52, to consider the application of Northern States Power Company – Wisconsin (NSPW) for approval of an administrative services agreement among the operating subsidiaries of Xcel Energy, Inc. (Xcel).

NSPW is a public utility as defined in Wis. Stat. § 196.01, and is a wholly owned subsidiary of Xcel, formerly known as Northern States Power Company – Minnesota (NSPM). Xcel is a registered holding company subject to the Public Utility Holding Company Act of 1935 (PUHCA).

The operating subsidiaries/utilities in the Xcel holding company system consist of Northern States Power Company (formerly NSPM), NSPW, Black Mountain Gas, Public Service Company of Colorado, Cheyenne Light, Fuel and Power Company, and Southwestern Public Service Company. The six operating utilities serve customers in twelve states. The six operating utilities are affiliated interests under Wis. Stat. § 196.52.

The proposed agreement would allow all Xcel operating utilities to share (on a limited or incidental basis) personnel, services, equipment and other goods and to enter into leasing arrangements when it is mutually beneficial to the operating utilities involved. Transactions between the operating utilities are subject to the jurisdiction of the Securities Exchange Commission (SEC) under the PUHCA and as such the agreement provides for services to be priced at cost as determined in accordance with SEC Rule 91.

The proposed administrative services agreement would replace the affiliated interest agreement between NSPW and NSPM approved by the Commission in docket 4220-AU-121.

NOTICE IS GIVEN that the Commission considers it necessary, in order to carry out its duties, to investigate all books, accounts, practices, and activities of the applicant. The expenses incurred or to be incurred by the Commission which are reasonably attributable to such an

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investigation will be assessed against and collected from the applicant in accordance with the provisions of Wis. Stat. § 196.85 and Wis. Admin. Code ch. PSC 5.

The Commission does not discriminate on the basis of disability in the provision of programs, services, or employment. Any person with a disability who needs accommodations to participate or who needs to obtain this document in a different format should contact the docket coordinator listed below.

Questions regarding this matter may be directed to docket coordinator Jodee J. Bartels at (608) 267-9859.

Dated at Madison, Wisconsin,	
By the Commission:	
Lynda L. Dorr	
Secretary to the Commission	

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